

# SENATE BILL REPORT

## EHB 3181

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As Reported By Senate Committee On:  
Government Operations & Elections, February 22, 2008

**Title:** An act relating to authority of the board of directors of a public facilities district.

**Brief Description:** Addressing the authority of the board of directors of a public facilities district.

**Sponsors:** Representatives Wood, Ahern, Ormsby, Barlow, Crouse and Schindler.

**Brief History:** Passed House: 2/19/08, 95-0.

**Committee Activity:** Government Operations & Elections: 2/21/08, 2/22/08 [DP].

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### SENATE COMMITTEE ON GOVERNMENT OPERATIONS & ELECTIONS

**Majority Report:** Do pass.

Signed by Senators Fairley, Chair; Oemig, Vice Chair; Roach, Ranking Minority Member; Benton, McDermott and Pridemore.

**Staff:** Sharon Swanson (786-7447)

**Background:** Public facilities districts (PFDs) are municipal corporations created by a city or county to perform specified functions related to the development, operation, and maintenance of specified categories of public facilities, including:

- convention, conference, and special events centers;
- sports and entertainment facilities (county PFDs only); and
- related parking facilities.

PFDs are granted the authority to engage in a wide range of activities related to the development, operation, and maintenance of their statutorily authorized facilities, including:

- buying or leasing property;
- entering into contracts;
- participating in interlocal agreements;
- imposing charges and fees for the use of facilities;
- imposing specified taxes; and
- issuing general obligation bonds and revenue bonds.

PFDs have independent taxing authority and are taxing districts under the State Constitution.

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*This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.*

Both city and county PFDs are governed by an appointed board of directors consisting of either five or seven members. The appointments are made by local governmental bodies in accordance with specified procedures and requirements.

**Summary of Bill:** In its annual budget, the board of a city or county PFD is required to identify proposed expenditures for promotional activities. In addition, boards must adopt written rules governing promotional hosting by employees, agents, and the board.

**Appropriation:** None.

**Fiscal Note:** Not requested.

**Committee/Commission/Task Force Created:** No.

**Effective Date:** Ninety days after adjournment of session in which bill is passed.

**Staff Summary of Public Testimony on Engrossed Bill:** PRO: Because the Spokane Public Facilities District has been doing such a good job, more major groups are choosing Spokane as a venue. An audit was done, and the auditors pointed out the fuzzy nature of promotional hosting. The audit suggested that legislation be introduced to clarify this issue. There will be rule-making involved as part of this, and the Facilities District will closely monitor that rule-making.

**Persons Testifying:** PRO: Representative Alex Wood, prime sponsor; Tom Parker, Spokane Public Facilities District.